

# **NATIONAL ADVISORY COUNCIL ON THE EMPLOYMENT OF WOMEN (NACEW)**

## **ANNUAL REPORT 1997/1998**

### **Introduction**

This Annual Report covers the period from 1st July 1997 to 30 June 1998. During this time NACEW has finalised the development of the Childcare Survey. NACEW also contracted a gender analysis of the results of the employee survey undertaken by Colmar Brunton in 1996, as part of its Survey of Labour Market Adjustment under the Employment Contracts Act 1991.

During the past year NACEW has also contributed to a research project undertaken by the Ministry of Women's Affairs on performance related remuneration.

In addition to these projects, NACEW submitted comments to the Social Services Select Committee on the Social Security (Work Test) Amendment Bill, to the Department of Labour on the Review of the Holidays Act 1991, and to the Ministry of Education on the National Qualifications Framework and the Tertiary Review Green Paper.

### **Childcare**

The last year has been an important one in terms of progress on the NACEW Childcare Survey. The survey working group focused on finalising the survey objectives, questionnaire and methodology in preparation for interviewing in the 1998 September quarter.

#### ***Background***

The survey was initiated by NACEW in 1995. With access to childcare having been identified as one of the key barriers to women's participation in paid employment, NACEW was keen to examine the links between childcare and labour market participation.

NACEW and the Department of Labour agreed to work jointly on the project, with the Department of Labour taking responsibility for the overall project management on behalf of NACEW. In June 1997, the Department of Labour applied for and received

funding for the survey from the Ministry of Science, Research and Technology, with Statistics New Zealand subsequently being contracted to collect the childcare data using a supplement to the Household Labour Force Survey.

Most of the development work on the survey has been undertaken by a working group, with members from NACEW, the Department of Labour, the Ministry of Women's Affairs, Statistics New Zealand, the New Zealand Council for Education Research and a consultant in research methodology. The working group has reported to a Steering Committee which has managed the survey. The Steering Committee, chaired by the Department of Labour has also included members from NACEW, Ministry of Women's Affairs, Ministry of Education, Statistics New Zealand, Treasury and the Department of Social Welfare.

### ***Milestones reached in 1997/98***

During 1997 and early 1998 work continued on the refinement of the survey objectives in conjunction with the questionnaire development. Cognitive testing also continued over the 1997/98 year and pilot tests were held in November 1997 and in March 1998. The results from both the cognitive and pilot tests assisted in refining the survey objectives and the questionnaire.

The working group also spent considerable time over this period resolving survey development issues, such as who to interview within the household, the relationship between childcare types used and parental activities undertaken, how to deal with school holiday periods and the interview length. The working group was responsible for making recommendations to the childcare survey steering group on these issues.

A Memorandum of Agreement was signed by Statistics New Zealand and Department of Labour representatives in May 1998. This Agreement outlined the roles and responsibilities of the agencies involved in the childcare survey. The final version of the objectives paper was appended to the Agreement. Prior to signing the Agreement, negotiations were held to resolve data access issues.

The Childcare Survey received Ministerial Approval on Wednesday 17 June 1998. To obtain this approval the questionnaire and survey design were peer reviewed both internally (by Statistics New Zealand) and externally (by independent consultants) and then presented to the Government Statistician for final approval. This process is compulsory for all Government surveys and is a means of ensuring the collection of high quality accurate information.

Interviewing for the Childcare Survey commenced on Monday July 6 1998 and finished on October 3 1998. Interviews were restricted to term time reference weeks only - 11 out of 13 weeks within the September quarter. It is expected that information will be collected on approximately 3,700 households with children under 14 years of age.

Refining the data output tables for the childcare survey was another key focus for the working group over the last year. These output tables will form the basis of the childcare survey report which is received from Statistics New Zealand. The

information presented in the final report prepared by NACEW/Department of Labour will be based primarily on the data contained in these tables.

The key areas covered by the childcare survey questionnaires are:

- childcare use in the reference week;
- difficulties with childcare arrangements and the impacts of these difficulties on parent/caregiver participation in paid work, unpaid work and study and training;
- childcare use in the last school holidays and the numbers of respondents taking time off work to care for their children;
- the demand for changes to childcare arrangements and why the arrangements sought are not currently being used;
- the extent to which childcare is a barrier to participation in work, unpaid work and study and training and why childcare could not be accessed; and
- work arrangements used by parent/caregivers.

Household Labour Force Survey data collected from childcare survey respondents will also be available for analysis.

The survey data will be available in March 1999 and the NACEW/Department of Labour report will be published in June 1999. An official report launch is also planned for the end of June.

## **Research on Performance Related Remuneration**

During the past year, the NACEW Pay and Economics Sub-group, in conjunction with the Ministry of Women's Affairs developed a detailed research specification for a project on remuneration systems and associated human resource practices.

This specification was put to tender by the Ministry of Women's Affairs, with the resulting project being jointly conducted by Top Drawer Consultants, Rose Ryan and Jane Bryson. The objectives of the research were to:

- a. investigate whether performance related pay systems and associated human resource management practices discriminate against women. This included an in depth examination of:
  - i) the design, implementation and operation of performance pay and associated human resource management systems in selected New Zealand organisations;
  - ii) the perceived fairness of the processes involved and the outcomes from the perspective of both managers and staff; and
  - iii) the actual distribution of payments made on the basis of such systems and how these vary by gender and factors such as ethnic background, job level, occupation and part-time/full-time status.
- b. identify the key factors which lead to discriminatory practice in performance related remuneration systems and associated human resource practice, and the range of best practice principles/strategies which organisations could adopt to help ensure that such systems and practices are free of gender or ethnic bias.

NACEW made a financial contribution to the project, which was managed by the Ministry of Women's Affairs. Members of the Pay and Economics sub-group also joined the Steering Committee, which provided oversight of the research.

The research, which included a review of literature and case studies in five organisations, was conducted in the early part of 1998, with the final report due for publication early in 1999.

### **Gender Analysis of the Results of the Survey of Labour Market Adjustment Under the Employment Contracts Act.**

During the 1996/97 year, information was presented to NACEW on the results from the Survey of Labour Market Adjustment under the Employment Contracts Act 1991, undertaken by Colmar Brunton for the Industrial Relations Service of the Department of Labour. This survey, as with similar surveys conducted in 1992 and 1993, aimed to gather information on industrial relations changes occurring since the introduction of the Employment Contracts Act 1991.

In 1994, NACEW contracted a gender analysis of the 1993 survey, and during the last year this analysis was repeated on the results of the 1996 survey of employees.

This analysis of the data by gender, ethnicity, employment status and employment sector suggests that industrial relations outcomes are not evenly distributed across the population. In particular, the data suggests that men and women may approach the negotiation process in different ways, and that women are less likely to receive a range of non wage benefits than men.

The finding of most particular concern to NACEW is that some groups are less likely to consider that conditions of work that are laid down in statute are applicable to them. The low level of awareness evinced by these same groups about their entitlements is disquieting. It suggests that current methods of publicising or accessing information on these entitlements do not reach all groups equally, and the delivery of these services may need to be scrutinised for a gender or cultural bias.

Since the completion of this analysis, NACEW has had discussions with the Industrial Relations Service on the way in which they promote information about statutory entitlements, particularly to women. As a result of this discussion, NACEW has accepted an offer to have an input into a review of information services planned by the Industrial Relations Service for 1999.

### **Employment Strategy**

NACEW continued to monitor the development and implementation of the Government's employment strategy over the last year. The NACEW Chairperson met with the Minister of Employment, and Department of Labour officials briefed NACEW on the employment and benefit changes announced in the May 1998 budget. NACEW subsequently made a submission to the Social Services Select Committee on the Social Security (Work Test) Amendment Bill.

### ***Submission to the Social Services Select Committee on the Social Security (Work Test) Amendment Bill***

NACEW prepared a submission to the Social Services Select Committee, which raised and discussed a number of issues in relation to the proposal to work test new groups of beneficiaries, and the implications of this for women.

NACEW urged that care should be taken to ensure that women were not disadvantaged by their care giver responsibilities, and that their responsibilities to their dependants were not compromised by the responsibilities imposed by the Bill. The NACEW submission also raised some concerns about the labour market implications of the proposed changes and noted that there were potential operational difficulties in the proposal that job seekers be directed into organised activities. Other specific recommendations made to the Select Committee included:

- any organised activities should be “family friendly”;
- any risk to the safety of a work tested spouse, or the spouse of a work tested person, should be regarded as good and sufficient reason for the deferral of the work test obligation on that spouse;
- consideration should be given to the costs faced by community organisations in meeting their obligations under the Health and Safety in Employment Act;
- clear operational guidelines should be provided to help sponsors deal with any situations that might arise due to disruptive or reluctant participants;
- consideration should be given to the likelihood that large scale community work may cause displacement of existing or prospective paid workers when any future expansion of community work is reviewed;
- consideration should be given to whether community work placements may displace existing voluntary workers;
- operational policy should recognise the fact that part time work undertaken by domestic purposes beneficiaries to fulfil their work test obligations may not provide sufficient income to support their families. Continued access to income support may be necessary;
- consideration should be given to the possibility that the imposition of stringent work test obligations may have the effect of driving job seekers out of the labour market.

In general however, the Council supported the intention of the legislative changes, believing that people generally want to be able to contribute to and participate in society, and maintain some dignity while out of paid work. Furthermore the Council argued that it expected that women would be keen to take up opportunities that are offered to increase their skills and make meaningful contributions to their communities. NACEW also recognised that some Maori communities are supportive of the concept of job seekers being involved in organised activities.

In the new financial year, NACEW also made a submission to the Minister of Employment, outlining those operational issues which NACEW believed had the potential to impact on women. Over the coming year, the Council intends to monitor the continuing implementation of the new policies, and liaise as appropriate with Work and Income New Zealand.

### **Submission on the Review of the Holidays Act 1981**

In response to a Government consultation paper, NACEW submitted comments to the Review of the Holidays Act 1981: Options for Flexibility.

The Holidays Act consultation paper requested feedback on:

- possible options for addressing the issues of flexibility and negotiability;
- two possible ways of expressing the entitlement to special leave;
- definition of key terms and concepts; how entitlement should be decided, and who should finally decide; and
- invited suggestions of other options.

In considering these issues, NACEW made a number of general comments which related particularly to the impact of these issues on women in employment, rather than supporting particular positions or options.

The NACEW submission examined current contextual issues (including unemployment, the rising number of people working long hours, current entitlements and implications for public holidays), issues of flexibility, fairness and simplicity, the impact on families and new workers, special leave and the access to information on entitlements.

In conclusion, NACEW stated that the Government should place emphasis on the following principles:

- the law should be as simple as possible and avoid as far as possible complexities which make it difficult for employers to understand, and therefore prevent them from discharging their obligations under the law; and
- the law should be applicable on a pro rata basis to all workers irrespective of employment status or number of hours worked.

In addition, NACEW urged that if the law was amended, a public awareness campaign should be launched to ensure that all workers and employers are educated about their rights and responsibilities under the Act.

## **Reviews of the National Qualifications Framework and Future Tertiary Education Policy**

NACEW submitted comments to the Ministry of Education in response to the Green Paper on the Tertiary Education Review. This submission also incorporated NACEW responses to the Green Paper “A Future Qualifications Policy for New Zealand: A Plan for the National Qualifications Framework.”

Once again, the NACEW submission focused on raising issues which are particularly likely to impact on women, rather than supporting specific solutions in relation to the funding mechanisms and structures. The key points of the NACEW submission were:

- support for the goal of increased participation, although it was noted that this may not be achievable given the notion of sharing limited resources;
- concern over the potential increases in the cost of tertiary education, and the potential impact of this on women;

- issues around time limited entitlement and resourcing on the basis of age for mature women, and those who have taken breaks from paid employment;
- links with the labour market, and employment outcomes for women;
- the importance of ensuring that long term goals are achieved, including enhanced overall educational levels, ensuring there are jobs and opportunities for students, and meeting the labour supply needs of employers;
- the potential impacts of a move to fund teaching and research separately, with the likelihood that women will predominate in the teaching-only positions; and
- the importance of accurate and easily accessible information.

## **Looking Ahead to 1998/99**

The coming year will see the completion of the NACEW childcare survey, with the launch of the report on the findings planned for June 1999. In addition, one or more seminars around the results of the project are planned for the 1999/2000 year.

NACEW also intends to continue monitoring the potential implications for women of the Government's employment strategy and benefit reform programme as the new policies are implemented and evaluated. Where appropriate NACEW will seek to provide advice and input to the Minister of Social Services Work and Income, and make submissions to other bodies on any issues that effect the employment of women. NACEW also hopes to work with the Industrial Relations Service, to ensure that women are well informed about their statutory entitlements.

NACEW has also identified the situation of low income women in employment and seeking employment as a priority for the Council. 1998/99 will see a subcommittee of NACEW examine this issue in more depth, with the aim of developing the objectives of a research project which will inform policies aimed at assisting this group of women and their families.

1999 will also see a new Chair to NACEW. After serving six years as the Chair of the Council, Adrienne D'Ath will be standing down in late 1998. Under Adrienne's leadership, NACEW has provided high quality advice to a number of ministers and completed major reports on self employment, access to industry training, the current position of women in the labour market, parental leave and the gender analysis of the 1993 and 1996 surveys of labour market adjustment under the Employment Contracts Act 1991. Over the last two years of her term, Adrienne has overseen the successful development of the childcare survey. A particular feature of Adrienne's leadership has been her inclusive style and her ability to achieve consensus from a large group of women with very divergent personal views

Claire Johnstone will be taking over as Chair of NACEW from 1 December 1998. Claire, who is currently the Chief Executive of the Wellington Regional Chamber of Commerce, has a background in journalism, self employment, agriculture, horticulture public relations, marketing, and management.

## Council Membership

The membership of the Council as at June 30 1998 was as follows:

Adrienne D'Ath (Chair)	Wellington	Ministerial Appointee
Anae Si'anaua Ostler	Auckland	Ministerial Appointee
Colleen Tuuta	New Plymouth	Ministerial Appointee
Suzanne Snively	Wellington	Ministerial Appointee
Rose Ryan	Wellington	Ministerial Appointee
Beverley Main	Wellington	Ministerial Appointee
Philippa Revell	Christchurch	Ministerial Appointee
Susan Wetere-Bryant	Te Awamutu	Ministerial Appointee
Stephenie Knight	Wellington	State Services Commission
Barbara Burton	Wellington	NZ Employers Federation
Lindsey Rea	Auckland	NZ Council of Trade Unions
Sue Shone	Wellington	NZ Council of Trade Unions
Liz MacPherson	Wellington	Department of Labour
Heather McCauley	Wellington	Ministry of Women's Affairs
Elizabeth Ashton	Wellington	Te Puni Kokiri
Miriam Urlich	Wellington	Ministry of Education
Sandra Hamilton	Wellington	Ministry of Youth Affairs
Ann Reeves	Wellington	Department of Social Welfare